



Comptroller General
of the United States

414136

Washington, D.C. 20548

Decision

Matter of: Iowa-Illinois Cleaning Company

File: B-260463

Date: June 13, 1995

Michael S. Kelly for the protester.
William W. Hopson, Esq., Varner, Stephens, Humphries & White, for The Sequoia Group, Inc., an interested party.
A. R. Dattolo, Esq., Emily C. Hewitt, Esq., and Gabriel N. Steinberg, General Services Administration, for the agency.
Paul E. Jordan, Esq., and Paul Lieberman, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Agency's determination to procure custodial and mechanical maintenance services for single building under a single contract award is unobjectionable where each service required less than one full-time position and the agency reasonably determined that it would not obtain adequate competition for the mechanical services if it issued separate solicitations.

DECISION

Iowa-Illinois Cleaning Company protests the terms of request for proposals (RFP) No. GS-04P-95-EWC-0108, issued as a total small business set-aside by the General Services Administration (GSA) for janitorial (custodial) and mechanical services at a GSA leased facility in Beaufort, South Carolina. Iowa-Illinois argues that requiring offerors to provide both types of services under one solicitation is overly restrictive and that the agency should have issued separate solicitations for each.

We deny the protest.

The RFP, issued January 25, 1995, contemplated award of a fixed-price contract for a 1-year base period with four 1-year options. The successful contractor will be responsible for management, operation, maintenance, and engineering of the Beaufort Courthouse, a commercially owned facility from which GSA leases space. Work load estimates contained in the RFP reflect an average of 8 hours per workday for custodial services, an average of 3 hours per

workday for mechanical services, and approximately 1 hour per workday for elevator maintenance and other specialized functions. Offerors are permitted to employ subcontractors so long as the prime contractor performs at least 50 percent of the work using its own employees. According to the agency, services such as window washing, pest control, and elevator maintenance are normally subcontracted. The incumbent contractor is providing all of the services covered by the RFP on a month-to-month basis. Eight contractors submitted proposals in response to the RFP. Instead of submitting a proposal, Iowa-Illinois protested the terms of the solicitation.

Iowa-Illinois contends that combining traditional custodial requirements with snow removal, pest control, and mechanical maintenance unduly restricts competition. In the protester's view, it would be fairer to allow small businesses to compete for separate contracts for custodial tasks and maintenance tasks.

The Competition in Contracting Act of 1984 (CICA) generally requires that solicitations include specifications which permit full and open competition, and contain restrictive provisions and conditions only to the extent necessary to satisfy the needs of the agency. 41 U.S.C. § 253a(a)(2) (1988). Since bundled, consolidated, or total-package procurements combine separate, multiple requirements into one contract, they have the potential for restricting competition by excluding firms that can only furnish a portion of the requirement. Generally, the decision whether to procure on a total package basis, rather than by separate procurements or awards for divisible portions of a requirement, is a matter within the procuring agency's discretion. IVAC Corp., 67 Comp. Gen. 531 (1988), 88-2 CPD ¶ 75; Delta Oaktree Prods., B-248903, Oct. 7, 1992, 92-2 CPD ¶ 230. Thus, an agency may determine that a single integrated contract is necessary to meet its needs; that determination is not subject to legal objection unless it lacks a reasonable basis. Id.; A&C Bldg. and Indus. Maintenance Corp., B-230839, July 21, 1988, 88-2 CPD ¶ 67.


GSA explains that it combined the custodial and mechanical requirements because of the limited scope of work for both requirements and in order to alleviate the administrative burden of multiple contracts. In this regard, GSA points out that the building is very small (only 14,019 gross square feet of which only 7,744 square feet are occupied) and is situated in a remote location. The amount of work is limited; the estimated work load for custodial and for mechanical functions represents less than one full-time position each. While GSA generally procures custodial and maintenance services separately when it expects there to be sufficient competition, here GSA did not expect to be

able to obtain sufficient competition for this particular small mechanical service requirement.

Given the limited amount of mechanical maintenance services required, and the apparent unattractiveness to offerors competing for such a relatively unpromising award, we think GSA reasonably concluded that combining this requirement with the custodial requirement would result in better overall price competition. In this regard, combining smaller, unattractive requirements with larger, related requirements may enhance competition by attracting more offerors than would individual awards on a task-by-task basis because of the greater amount of work involved, and may provide the agency with greater assurance that it will receive competitive offers for the less attractive work requirements. See Eastman Kodak Co. 68 Comp. Gen. 57 (1988), 88-2 CPD ¶ 455. Thus, where an agency reasonably does not anticipate that it will obtain competition for all its requirements if it solicits separately for them, it properly may combine them in a single procurement. See Delta Oaktree Prods., supra. Accordingly, we have no basis to object to the agency's determination here to combine the services into a single procurement.

While the protester complains that the combination of services restricted competition, eight offers were received. Iowa-Illinois also does not argue that it was unable to compete; it apparently could have subcontracted the noncustodial work, since that work is approximately only 35 percent of the total scope of work. The protester's reluctance or unwillingness to subcontract is simply a matter of its own business judgment and does not provide any basis to conclude that the agency's determination to combine the requirements is unreasonable.

The protest is denied.


for Robert P. Murphy
General Counsel